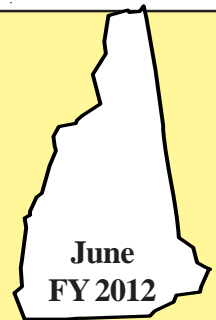


# State Of New Hampshire

## Monthly Revenue Focus

### Department of Administrative Services

Linda M. Hodgdon, Commissioner  
Edgar R. Carter, Comptroller



#### Monthly Revenue Summary

	<i>(for month)</i>		
	<u>FY 12</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
<b>Gen &amp; Educ</b>	\$ 207.0	\$ 204.9	\$ 2.1
<b>Highway</b>	\$ 23.4	\$ 22.3	\$ 1.1
<b>Fish &amp; Game</b>	\$ 1.6	\$ 1.8	\$ (0.2)

#### Current Month

General & Education Funds	<i>FY 12</i> <i>Actuals</i>	<i>FY 12</i> <i>Plan</i>	<i>Actual vs.</i> <i>Plan</i>	% <i>Inc/(Dec)</i>
Business Profits Tax	\$ 47.4	\$ 50.5	\$ (3.1)	-6.1%
Business Enterprise Tax	31.2	30.8	0.4	1.3%
Subtotal Business Taxes	78.6	81.3	(2.7)	-3.3%
Meals & Rentals Tax	19.0	18.2	0.8	4.4%
Tobacco Tax	18.8	20.4	(1.6)	-7.8%
Transfer from Liquor Commission	9.7	12.5	(2.8)	-22.4%
Interest & Dividends Tax	12.3	12.7	(0.4)	-3.1%
Insurance Tax	1.4	0.3	1.1	366.7%
Communications Tax	6.6	6.9	(0.3)	-4.3%
Real Estate Transfer Tax	8.0	7.2	0.8	11.1%
Court Fines & Fees	1.1	1.2	(0.1)	-8.3%
Securities Revenue	0.6	0.8	(0.2)	-25.0%
Utility Consumption Tax	0.4	0.5	(0.1)	-20.0%
Board & Care Revenue	2.4	1.8	0.6	33.3%
Beer Tax	1.3	1.2	0.1	8.3%
Other	21.9	18.8	3.1	16.5%
Transfer from Lottery Commission	11.3	12.2	(0.9)	-7.4%
Transfer from Racing & Charitable Gaming	0.4	0.5	(0.1)	-20.0%
Tobacco Settlement	-	-	-	
Utility Property Tax	7.3	7.1	0.2	2.8%
State Property Tax	-	-	-	
Subtotal Traditional Taxes & Transfers	201.1	203.6	(2.5)	-1.2%
Net Medicaid Enhancement Revenue	5.0	-	5.0	
Recoveries	0.9	1.3	(0.4)	-30.8%
Total Receipts	\$ 207.0	\$ 204.9	\$ 2.1	1.0%

*All funds reported on a cash basis, dollars in millions.*

#### Analysis

**Unrestricted cash basis revenue** for the General and Education Funds for June totaled \$207.0 million, \$2,162.6 million YTD, which is over plan by \$2.1 million for the month and below plan by \$26.6 million for the year. June receipts are \$8.4 million higher than the previous June, and YTD unrestricted revenues are lower than prior year by \$27.1 million. The unfavorable Medicaid Enhancement Tax (MET) variance is the major reason for the overall YTD shortfall to plan. Traditional taxes (exclusive of MET and Recoveries), exceeded plan for the year by \$4.8 million, and exceeded prior year by \$21.2 million.

The revenue basis in this June 2012 Monthly Revenue Focus represents **PRELIMINARY CASH BASIS** results for both fiscal years presented and is unaudited. A preliminary accrual report is expected to be issued during the fourth week of July and final revenue results will be available at the conclusion of the audit after year-end accounts receivable and other adjustments are analyzed.

**Business Taxes (BPT & BET)** were lower than plan by \$2.7 (3.3%) million for the month, but finished the year \$10.3 million (2%) higher than plan YTD. Compared to prior year, receipts for June were \$1.5 (1.9%) million higher and \$25.7 million (5.3%) above YTD. According to the Department of Revenue (DRA), YTD results reflect approximately 5.7% higher taxes received with returns, extensions and estimates as compared to prior year. Partially offsetting this increase was YTD Tax notice revenue which was significantly lower than prior year by \$21.2 million or 45%. YTD refunds were also lower by \$17.7 million or 35% versus the same period in the prior year.

**Meals and Rentals Tax (M&R)** receipts this month came in \$0.8 million above plan and \$7.9 million above YTD. As can be seen in the chart on page 2, gross revenue receipts for the month, before the effect of Debt Service transfers, were 5% above prior year. YTD revenues were \$11.5 million or 5% above prior year. M&R has met or exceeded plan in all months during FY2012 since August 2011.

**Tobacco Tax** cash basis revenue for the month of June was below plan and prior year by \$1.6 million and \$2.4 million, respectively. YTD cash basis Tobacco tax revenue came in 5.1% below plan and 8.7% below prior year. The reduction in tax rate effective July 1, 2011, accounts for approximately \$12 million less in taxes, as compared to prior year. Additional adjustments from the cash to accrual basis in both years will be reflected in the June preliminary accrual report.

**Transfers from the State Liquor Commission**, while relatively flat with the prior year on a YTD basis, were \$2.8 million below plan for June and \$6.7 million below plan for the year.

**Interest and Dividends Tax** revenue received in June was only slightly lower than plan; however, on a year to date basis tax revenue was 4.1% less. Versus the prior year, both on a month and year to date basis, June revenue was approximately 12% and 6%, respectively, higher than the prior year. According to DRA, receipts on returns, estimates and extensions for the year were up by approximately 5% along with a 19% decline in refunds issued.

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	RET Analysis (In Millions)												Cash Basis
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
FY12	7.6	9.8	7.7	6.6	7.0	6.1	8.0	5.4	4.3	5.7	6.5	8.0	
FY11	9.6	6.9	6.6	6.7	6.6	7.3	7.7	5.1	5.1	5.6	8.4	6.6	
FY10	9.0	8.3	7.6	8.1	7.1	7.3	7.4	4.6	4.4	6.4	7.0	7.3	
Mo over Mo	(2.0)	2.9	1.1	(0.1)	0.4	(1.2)	0.3	0.3	(0.8)	0.1	(1.9)	1.4	
% Mo over Mo	-21%	42%	17%	-1%	6%	-16%	4%	6%	-16%	2%	-23%	21%	
YTD change over Prior Year	(2.0)	0.9	2.0	1.9	2.3	1.1	1.4	1.7	0.9	1.0	(0.9)	0.5	
% YTD change	-21%	5%	9%	6%	6%	3%	3%	3%	1%	1%	-1%	1%	

	Business Tax Refund Analysis											
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY12	1.2	1.6	3.2	1.8	5.5	3.8	4.0	1.3	1.5	1.2	3.5	4.1
FY11	3.4	0.9	3.5	5.2	6.1	2.5	15.0	3.5	3.3	2.1	2.7	2.2
FY10	1.6	1.2	2.1	3.6	6.3	5.2	7.2	6.4	3.7	6.6	2.8	1.6
Mo over Mo change	(2.2)	0.7	(0.3)	(3.4)	(0.6)	1.3	(11.0)	(2.2)	(1.8)	(0.9)	0.8	1.9
YTD change	(2.2)	(1.5)	(1.8)	(5.2)	(5.8)	(4.5)	(15.5)	(17.7)	(19.5)	(20.4)	(19.6)	(17.7)

	M&R Analysis					
	June			YTD		
	FY 12	FY 11	Diff	FY 12	FY 11	Diff
Gross Collections	20.2	19.2	1.0	251.7	240.2	11.5
Bldg Aid Debt Svc Transfer	(1.2)	(0.5)	(0.7)	(14.6)	(5.0)	(9.6)
Net Revenue	19.0	18.7	0.3	237.1	235.2	1.9

### General & Education Funds Comparison to FY 11

General & Education Funds	Monthly			Year-to-Date			% Inc/(Dec)
	FY 12 Actuals	FY 11 Actuals	Inc/(Dec)	FY 12 Actuals	FY 11 Actuals	Inc/(Dec)	
Business Profits Tax	\$ 47.4	\$ 46.9	\$ 0.5	\$ 310.5	\$ 296.9	\$ 13.6	4.6%
Business Enterprise Tax	31.2	30.2	1.0	202.8	190.7	12.1	6.3%
Subtotal Business Taxes	78.6	77.1	1.5	513.3	487.6	25.7	5.3%
Meals & Rentals Tax	19.0	18.7	0.3	237.1	235.2	1.9	0.8%
Tobacco Tax	18.8	21.2	(2.4)	212.0	232.1	(20.1)	-8.7%
Transfer from Liquor Commission	9.7	12.7	(3.0)	124.7	125.0	(0.3)	-0.2%
Interest & Dividends Tax	12.3	11.0	1.3	81.9	77.0	4.9	6.4%
Insurance Tax	1.4	0.7	0.7	85.0	83.1	1.9	2.3%
Communications Tax	6.6	5.6	1.0	79.2	78.2	1.0	1.3%
Real Estate Transfer Tax	8.0	6.6	1.4	82.7	82.2	0.5	0.6%
Court Fines & Fees	1.1	1.2	(0.1)	13.7	13.7	-	0.0%
Securities Revenue	0.6	0.7	(0.1)	37.6	37.0	0.6	1.6%
Utility Consumption Tax	0.4	0.5	(0.1)	5.9	6.1	(0.2)	-3.3%
Board & Care Revenue	2.4	3.4	(1.0)	24.6	22.3	2.3	10.3%
Beer Tax	1.3	1.2	0.1	13.1	12.9	0.2	1.6%
Racing & Games of Chance	-	0.3	(0.3)	-	2.4	(2.4)	-100.0%
Other	21.9	16.6	5.3	74.0	72.3	1.7	2.4%
Gambling Winnings Tax	-	-	-	-	3.2	(3.2)	-100.0%
Transfer from Lottery Commission	11.3	10.0	1.3	66.6	63.1	3.5	5.5%
Transfer from Racing & Charitable Gaming	0.4	0.2	0.2	3.3	1.2	2.1	175.0%
Tobacco Settlement	-	-	-	42.5	41.7	0.8	1.9%
Utility Property Tax	7.3	7.3	-	33.1	32.3	0.8	2.5%
State Property Tax	-	-	-	363.1	363.6	(0.5)	-0.1%
Subtotal Traditional Taxes & Transfers	201.1	195.0	6.1	2,093.4	2,072.2	21.2	1.0%
Net Medicaid Enhancement Rev	5.0	0.1	4.9	62.9	93.5	(30.6)	-32.7%
Recoveries	0.9	3.5	(2.6)	6.3	24.0	(17.7)	-73.8%
Total Receipts	\$ 207.0	\$ 198.6	\$ 8.4	\$ 2,162.6	\$ 2,189.7	\$ (27.1)	-1.2%

All funds reported on a cash basis, dollars in millions.

## General and Education Funds

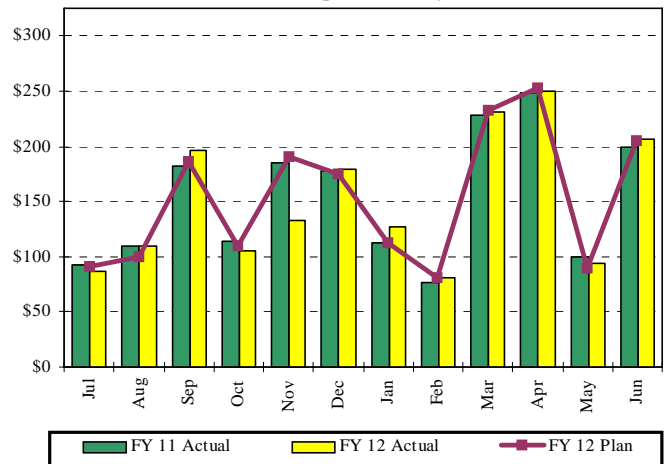
Year-to-Date Comparison to Plan										
General & Education Funds	General			Education			Total			% Inc/(Dec)
	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	
Business Profits Tax	\$ 255.8	\$ 257.0	\$ (1.2)	\$ 54.7	\$ 55.5	\$ (0.8)	\$ 310.5	\$ 312.5	\$ (2.0)	-0.6%
Business Enterprise Tax	68.0	63.5	4.5	134.8	127.0	7.8	202.8	190.5	12.3	6.5%
Subtotal Business Taxes	323.8	320.5	3.3	189.5	182.5	7.0	513.3	503.0	10.3	2.0%
Meals & Rentals Tax	229.7	221.9	7.8	7.4	7.3	0.1	237.1	229.2	7.9	3.4%
Tobacco Tax	134.2	125.6	8.6	77.8	97.9	(20.1)	212.0	223.5	(11.5)	-5.1%
Transfer from Liquor Commission	124.7	131.4	(6.7)	-	-	-	124.7	131.4	(6.7)	-5.1%
Interest & Dividends Tax	81.9	85.4	(3.5)	-	-	-	81.9	85.4	(3.5)	-4.1%
Insurance Tax	85.0	86.1	(1.1)	-	-	-	85.0	86.1	(1.1)	-1.3%
Communications Tax	79.2	80.2	(1.0)	-	-	-	79.2	80.2	(1.0)	-1.2%
Real Estate Transfer Tax	53.8	53.1	0.7	28.9	26.5	2.4	82.7	79.6	3.1	3.9%
Court Fines & Fees	13.7	13.8	(0.1)	-	-	-	13.7	13.8	(0.1)	-0.7%
Securities Revenue	37.6	35.1	2.5	-	-	-	37.6	35.1	2.5	7.1%
Utility Consumption Tax	5.9	6.0	(0.1)	-	-	-	5.9	6.0	(0.1)	-1.7%
Board & Care Revenue	24.6	20.5	4.1	-	-	-	24.6	20.5	4.1	20.0%
Beer Tax	13.1	13.2	(0.1)	-	-	-	13.1	13.2	(0.1)	-0.8%
Other	74.0	74.1	(0.1)	-	-	-	74.0	74.1	(0.1)	-0.1%
Transfer from Lottery Commission	-	-	-	66.6	70.0	(3.4)	66.6	70.0	(3.4)	-4.9%
Transfer from Racing & Charitable Gaming	-	-	-	3.3	3.8	(0.5)	3.3	3.8	(0.5)	-13.2%
Tobacco Settlement	2.5	2.4	0.1	40.0	40.0	-	42.5	42.4	0.1	0.2%
Utility Property Tax	-	-	-	33.1	28.2	4.9	33.1	28.2	4.9	17.4%
State Property Tax	-	-	-	363.1	363.1	-	363.1	363.1	-	0.0%
Subtotal Traditional Taxes & Transfers	1,283.7	1,269.3	14.4	809.7	819.3	(9.6)	2,093.4	2,088.6	4.8	0.2%
Net Medicaid Enhancement Rev	62.9	97.0	(34.1)	-	-	-	62.9	97.0	(34.1)	-35.2%
Recoveries	6.3	3.6	2.7	-	-	-	6.3	3.6	2.7	75.0%
Total Receipts	\$ 1,352.9	\$ 1,369.9	\$ (17.0)	\$ 809.7	\$ 819.3	\$ (9.6)	\$ 2,162.6	\$ 2,189.2	\$ (26.6)	-1.2%

### Education Trust Fund Statement of Activity - FY 2012 July 1, 2011 to June 30, 2012

Description	Amount
Beginning Surplus (Deficit)	\$ -
Unrestricted Revenue - See above	809.7
Expenditures Education Grants & Adm Costs	(957.9)
Ending Surplus / (Deficit)	\$ (148.2)

Ending deficit will be affected by year end accrual adjustments, after which any remaining deficit will be funded by the General Fund. The FY 2012 budget anticipated a deficit of \$136.5 million.

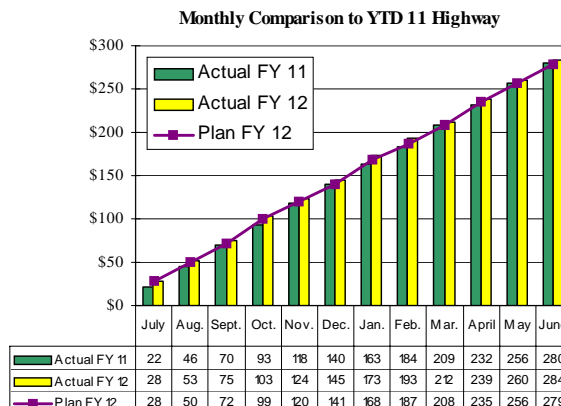
### General & Education Funds, excluding State Property Tax FY 12 Comparative Analysis



All funds reported on a cash basis, dollars in millions.

## Highway Fund

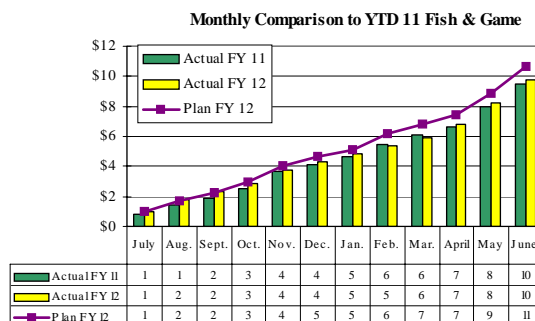
Comparison to Plan			
Revenue Category	year-to-date		
	FY 12 Actuals	FY 12 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 123.0	\$ 124.5	\$ (1.5)
Miscellaneous	48.7	44.6	4.1
<b>Motor Vehicle Fees</b>			
MV Registrations	76.4	73.9	2.5
MV Operators	12.6	12.1	0.5
Inspection Station Fees	3.9	3.9	-
MV Miscellaneous Fees	11.5	12.0	(0.5)
Certificate of Title	7.7	7.7	-
<b>Total Fees</b>	<b>112.1</b>	<b>109.6</b>	<b>2.5</b>
<b>Total</b>	<b>\$ 283.8</b>	<b>\$ 278.7</b>	<b>\$ 5.1</b>



- According to **Road Toll** Operations, actual fuel consumption is down approximately 1.3% over the previous fiscal year, and is tracking slightly below estimates due to economic conditions and more fuel efficient vehicles.
- According to the Department of Transportation, the **Miscellaneous** category is ahead of plan due to higher receipts of cost reimbursement (revenue) received by the Highway Fund for Federal and Turnpike projects.

## Fish & Game Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 12 Actuals	FY 12 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 8.0	\$ 8.8	\$ (0.8)
Fines and Penalties	0.1	0.2	(0.1)
Miscellaneous Sales	0.9	1.0	(0.1)
Federal Recoveries Indirect Costs	0.8	0.7	0.1
<b>Total</b>	<b>\$ 9.8</b>	<b>\$ 10.7</b>	<b>\$ (0.9)</b>



All funds reported on a cash basis, dollars in millions.

### Continued from page 1.....

The **Real Estate Transfer Tax** collections totaled \$8.0 million for June, which were \$0.8 million above the plan and \$1.4 million above prior year, bringing year to date collections to \$82.7 million, above the plan by \$3.1 million and slightly above prior year by \$0.5 million. Residential transactions reported by the counties for the month of May, was the highest level of transactions in a two year period, and the third highest transaction count since July of 2009.

**Board & Care** revenues for the year were \$4.1 million above plan and \$2.3 million above prior year due to unexpected increases in cost based rates.

**Other** June receipts came in above plan by \$3.1 million and year to date receipts came in even with plan. June includes the annual recording of abandoned property revenue which totaled \$11.0 million, \$3.0 million higher than original estimate. Other transfers have been made in June based on estimates, and are subject to adjustment through the closing period.

**Lottery Transfers** during the year, in general, are made for operations of the prior month. In June, transfers are made for May and an estimate of June operations and nothing is transferred in July. June transfers totaling \$11.3 million (\$5.7 million May and \$5.6 million June) were \$0.9 million short of plan, but \$1.3 million above prior year. This brings YTD transfers to \$3.4 million below plan but \$3.5 million above prior year.

**Medicaid Enhancement Tax** receipts for June were \$5.0 million above plan due to payments received from hospital taxpayers which were originally included in the November 2011 plan. YTD receipts were lower than plan and prior year by 35.2% and 32.7%, respectively.

**YTD Recoveries** were below prior year largely due to drug rebate revenue now budgeted as restricted pharmacy services revenue per Chapter 223 Laws of 2011.

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